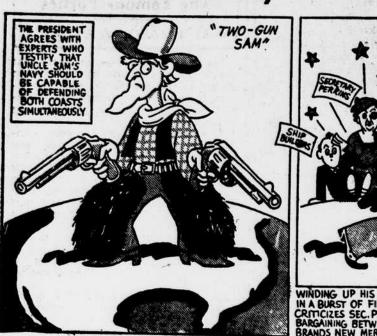
Cartoon Summary of the Week's News.











-By Sudduth

Coal Commission's Procedure Under Heavy Attack in Courts

Controversy Revolves Around Law's Requirement of Prior Public Hearings-Ruling Holds Up Minimum Prices.

HE legal difficulties of the New Deal | mining had been bloated and it couldn't have entered a new phase. Instead of having legislation itself assailed as unconstitutional, it is the administrative procedure under an act , either fill up with water or the roof will of Congress that is being attacked on some 20-odd fronts

Last week the United States District Court of Appeals here struck a blow at the administration of the National Bituminous Coal Commission, staying, through temporary injunction, the minimum coal prices set by the commission as applied to 209 major railroads, the city of Cleveland and three mining concerns.

The decision was made in an order signed by three judges who were appointed by President Roosevelt: Justices Harold M. Stephens, Justice Miller and Henry W. Edgerton

Upheld by the ruling was the contention of a score or more of litigants who have attacked the price orders on the ground they were issued without prior public hearings and therefore violated requirements of the act and of the fifth amendment to the Constitution, the due process

Previously, the Federal Circuit Court of Appeals in New York City had suspended the minimum price on pea coal shipped from Southern West Virginia into New York Harbor, and on the same grounds.

Attacks Cover Wide Range. While litigants level their attacks on grounds ranging from constitutionality of the act to matters of procedure, the basis for practically all of them lies not in questionable constitutionality of the act, but in one provision which they claim the commission has disregarded in its price-

This provision, Section 2 (a), says in subprices shall be made unless the commission has given "reasonable public notice of a hearing" and afforded to interested parties an opportunity to be heard. Findings of fact are also a prerequisite.

Most of these suits are the actions of powerful consumers, like the cities of Cleveland and Chicago and the railroads. which claim they are suffering "irreparable injury" from higher coal prices fixed without due process of law.

Back of this situation in which a Federal agency is accused of exceeding its lawful powers lies a variance in interpretation of the Bituminous Coal Act of 1937. And the differing interpretations have involved not two interests, but three in the dispute.

On one side are the complainants in court: on the other the commission. And standing off to one side, but taking the part of the complainants, hurling accusations at the commission and asking suspension of the price orders is a branch of that body itself.

Procedure Long Attacked

The Consumers' Counsel, a soverign entity, set up to protect the interest of the public in the administration of a producers' act, has blasted away publicly for months at the procedure used by the commission to bring order and solvency to an industry all but broken by chaotic price wars.

Public hearings are required by the act, believes John Carson, Consumers' Counsel; they were not held. Therefore, he says, the prices were not validly established.

But the Coal Commission, through its chairman, Charles F. Hosford, jr., stoutly maintains the position of Consumers' Counsel and the litigants is wrong. Public hearings are not necessary, he claims, to make the orders of the commission constitutional, and secondly, are not required by

Believing as he does that the commission has acted in a legal manner, and that its procedure was not arbitrary, Mr. Hosford reiterated after a conference with the President Monday an earlier statement that "we have no intention of suspending the minimum prices" except as, and only to the extent ordered by the court.

Hosford's Creed.

And the weapon he will wield in defense of the commission's actions until the battle is won or lost in the Supreme Court is this creed:

"This commission exercises the function of government ordinarily termed legislative. "I do not doubt the ability of Congress to delegate such legislative authority.

"I do not doubt that legislative authority can be exercised without prior public hear-

"We believe we have proceeded in complete conformity with the act."

Therein lies the cause for a legal storm that threatens to throw the bituminous coal industry back, temporarily at least, to a condition for which chaotic is too hackneyed a word; it does not portray the depths to which it had sunk in the decade from 1923 to 1933. A decade it was in which the industry actually did not know what it was to make a profit; of bitter, cutthroat competition in which coal costing about \$1.25 a ton for labor alone sometimes sold for 25 cents a ton.

Back of this creed, now the target of the heavy artillery of the courts, lies a story. It withe story of the industry and of the interpretation it motivated.

As in the case of agriculture, the World

War-lifted the soft coal industry to stratospheric heights of demand which opened thousands of new mines, and then swept away all props, leaving the industry to crash with devastating effect. Soft soal in fixing prices were by unanimous vote."

irretrievably lost. No can coal be stored above ground to await a future demand. The natural, or at least the actual consequences, was cut-price war, ruled by fear and secrecy, that soon dragged the price

shrink. A coal mine can't be closed down

to be reopened 2 or 3, or 10 years later in

the next boom period. The cavity will

cave in, and in either case the coal is

to a point where coal was selling for far less than the cost of labor alone. So complete was the demoralization that by 1923 President Harding's Coal Commission, created to find a solution to the evils, reported the only way out was Government regulation to end a staggering and

criminal 150,000,000-ton annual waste of the country's "greatest natural resource." The N. R. A., in 1933, gave to the industry a profit for the first time in a decade. But with the death of the Blue Eagle, all the bitter practices, reintensified by a recent depression, returned in full and runious fury.

These were the conditions when in the spring of 1937 the successor to the original Guffey Coat Act, modified to meet constitutional requirements, was passed

Hosford Experienced Coal Man.

The commission was named in May. At its head was Mr. Hosford, an experienced coal man, intimate with the industry's ills, a collaborator on the act, a Phi Beta Kappa, and an iron-willed executive. Anxious to end an insolvent anarchy of mismanagement and wholly red-ink ledgers, he estimated that prices could be set in a minimum of six to eight months.

The act provided for 23 district boards cost of production averaged from every mine in the district. The boards of 3 to 17 men consisted of one labor member and at least two producer members. The boards also were to bring every producer under the code or levy a tax of 191/2 per cent on every ton of coal he sold.

When statistical data had been accumulated, cost findings made, the prices were proposed to the commission. The approved prices then had to be co-ordinated among 150 market areas so there could be no discrimination between coal of different origins at the same point of delivery.

All went smoothly enough until it came time to co-ordinate the prices. Then, Mr. Hosford said, "we sat here for days in endless wrangling." A great delay was apparent, so the commission "took over the work to make the act effective."

Two Reasons for Move.

There were two reasons for this move, the chairman stresses. First was the tax of 1 cent per ton producers had been paying on coal sold since the act became effective, and they wanted something for it. Second, there was a recession, and cutthroat prices, wage cuts and strikes threat-

Impatience was general. Senator Guffey, sponsor of the act, is quoted by F. O. Wallene, director of Cleveland's public utilities department, as having assured him that he (Guffey) had insisted that prices be put into effect without further delay. Speed was also the pressing desire of the commission. That body's counsel made a study with producer counsel and "a policy of fixing prices without prior public hearings was evolved." Mr. Hosford said.

To support this policy there was a decision by the Supreme Court in the Illinois Central case which said in effect that the I. C. C. might fix rates without prior public hearings, if on complaint by an interested party, the price is stayed pending a hearing. The ruling, however, was restricted to the case at hand and was not intended to be a

Chairman Hosford contends the commission's behavior has followed this case, that 300 petitions were received after prices were set and that the commission has granted relief in a "substantial number of cases." If any one, he says, is dissatisfied, he can come in and show his reasons and this quasi-judicial appeal for which the act provides meets the due process requirements.

Searching for further buttresses to support its acts, the commission found loosely constructed sections to back the claim that prior public hearings were not required. One, in Section 4, Part II (b), says that "district boards shall, under rules and regulations established by the commission, co-ordinate * * * the minimum prices. * * *" There is no mention there of hearings, it is argued.

Price Mimima to Be Created.

Further down it says co-ordinated prices shall be submitted to the commission, which shall 'thereupon" establish the price minima. Where is any mention of hearings there, the commission asks.

Prior to announcement of the price schedules November 30, 1937, there had been front-page rumblings of dissension within the commission, of rows over patronage, and charges that these stories constituted a smoke screen to mask a division over the price-fixing policy.

To the question of whether any such split had anything to do with the policy of setting prices, Chairman Hosford says: "All actions taken by the commission

From The Star's Letter Mail

A "Labor Spy" Gives His Side of Industrial Espionage—History and the Battle of New Orleans-Views on Local Taxes.

The following letter comes to The Star through Mr. H. N. Findley, 52 West Fifty-seventh street, New York City, who informs The Star that the writer identified here only by his cryptic signature "GT-99," is a former "labor spy," whose desire for anonymity is understandable. The Star prints the letter as an interesting sidelight on a controversial ques-

'M AN ex-labor spy. The Senator from Wisconsin, who so ably addressed the Nation from the microphone of the National Radio Forum on the night of February 14, is responsible for the ex

in my designation. To doubt the sincerity of the statesman's remarks would be folly, but to differ with his idealistic opinions is my privelege, in accordance with the "right of free speech." which the gentleman from Wisconsin defends. His remarks on the air as well as the report of his committee to the Senate last December have brought no rebuttal from either industry or the detective agencies he called on the carpet. It is readily understood that they desire as little publicity as possible in connection with this unsavory subject and a reply would only prolong the discussion to their continued embarrassment. Little did it ever occur to me that I would feel inclined to appear as a paladin for either group, but in the interest of fair play, it is believed that a little more light should be cast on this situation. Three particular phases of the picture as it now stands are somewhat misleading. And again no claim is made that there has been a willful intent in this direction; the honest Senators simply have never had extensive experience along lines of industry, accounting or personnel management and their errors are of the mind and not of the heart.

Too High an Estimate?

figure of \$4.900 Senator La Follette as he addressed the National Radio Forum to indicate the amount of money spent by industry in the year 1935 for labor espionage. I believe that this is the entire amount expended by industry that year for detective services of all kinds. The figure included the cost of guards engaged by a company to protect a valuable shipment of merchandise or for uniformed men employed to circulate among the throngs of shoppers in a department store during the Christmas season as protection against shoplifters. This is an obvious error and should be corrected.

Another feature of the senatorial investigation which might well be cleared up is the attempt on the part of the committee to discredit the intelligence of some of the witnesses called before it. On one occasion the secretary of a large and powerful manufacturer's association was on the witness stand. He admitted that the association had spent twenty thousand dollars during a recent year for information regarding the trend of labor affairs in the community. This practice had existed for twenty years or more. Senator Thomas took it upon himself to suggest that the association and its members had been taken for a "ride" by the agency to whom this money had been paid. Well, the members of the association are the ablest manufacturers in America. They might be taken for a twenty-thousand-dollar ride for one year or even for two years, but it's preposterous to suggest that this custom might continue for a generation. These men knew what they wanted and they paid a fair price to get it-and they got it. And, as with all satisfactory business deals, the next time they were in the market they came back for more—to the same purveyor.

What Is the Substitute? Another point that has been overlooked is this. No business of the scope and magnitude of the labor espionage industry can be completely and entirely removed from our economic program without a satisfactory substitute being offered. As yet, none has been presented. To illustrate my point, let me draw a simple picture of the situation which brought labor espionage into existence.

Let us suppose that a company is formed for the purpose of manufacturing radios. Let's say that the two Senators most interested in this investigation were the founders of the project. They invested some of their own hard-earned money and they sold stock to their friends and eventually they built a fine, modern plant and equipped it with machinery to make their product. They received a lot of orders and in the course of a couple of months they have hired, say, five hundred men.

It is probably that the officers, Messrs. La Follette and Thomas, will invite organized labor to prepare a closed shop contract. But whether they do or not, they are going to have the same situation that is found in other shops regardless of whether they are closed or open. The people they employ are going to be human beings. The human beings employed by the La Follette-Thomas Radio Corp. are going to be pretty much like the human beings in Congress or in a shipyard or a college or in a packing house or bank. Regardless of the efforts of the employment department, the caliber of employe in large organizations is very similar.

The "Minerity of Malcontent."

In other words, La Follete-Thomas will have a big majority of men whose only interest is to work hard in the hope of advancing to better positions and increasing their earning power. Then there will be some a few-whose principal concern is to create as much discord as pos-

is that he is usually the last person in the world to be conscious of the trouble he is causing. And we will find another few who are willfully dishonest and who wilfully cheat not only their employers but their fellow workers and every one else with whom they come in contact. Add to this assortment a few with unmentionable diseases and another few with insanity of a mild kind and then appoint a man to be foreman with an inclination toward nepotism-and you have the modern average factory. I believe that every personnel director will tell you that this is about the picture in spite of their best efforts.

There will come a time when La Follette and Thomas become genuinely concerned about their business. The production schedule never seems to work out right. There are too many rejected parts on account of poor workmanship. The labor turnover is too high; men seem to quit for no reason at all. When they consult a more experienced employer, he will tell them they are experiencing "labor trouble" and if he is one of the group they have been grilling during the investigation, he will tell them of the only method yet discovered by industry to clean up such a condition is to place an honest, experienced operative in the shop to report on exactly what is going on among their people.

Does Not Defend Policy. I do not defend this policy. I merely suggest that the highest-minded employers of the country have used it for years. Attention is also called to the fact that one will find among the list of firms accused of employing spies a large number with chief executives who have risen from the ranks. This seems proof that the exworkman knows his own kind well enough to insist in getting reliable information as to what the worker thinks. He knows full well the law of averages for human beings. honest and reliable workmen need and are entitled to protection from the minority whose only purpose is to create as much

discord as possible. I haven't said a word about labor unions and the effort to control or manipulate them through the use of undercover operatives. This condition was a later development: the primary purpose of the labor spy was as I have described it. And I believe that the management of La Follette-Thomas Radio Corp. would soon decide that there was no other way to keep abreast of the situation

No, I can't see any substitute. Through either legal or extra-legal measures the employer will probably continue to get this information. The people who might solve the problem have made no effort to do so. I refer to the labor unions themselves. Maybe the time will come when a labor union will have vision enough to take over the entire problem of personnel management. It is reasonable to believe that this can be done. All the union needs to do is assume responsibility for its members and then demonstrate that it can control them Let the unions refuse membership to this small proportion of trouble makers-or throw them out if they manage to get past the membership committee. If the unions would really police their closed shops I believe that the employers would welcome them with open arms. A few real unions could change the entire picture in one short year by instituting and pursuing a policy of this sort.

The time must soon arrive when the folly of continual bickering between capital and labor will destroy itself through a realization of its sheer economic loss and waste. In the light of my many years of close observation of both sides. I am convinced that no net gain has been made through the means heretofore adopted to force an understanding. It is time for a leader to appear with a different slogan. I predict that it will be more concerned with "giving" than with "getting." Instead of both sides worrying about what they are going to get, let them think a little about what they can give. With more of this spirit and the mutual confidence and respect that will follow, labor spies, strikes, finks and Senate investigations of these industrial headaches will be relegated to antiquity in short order.

Protests Distortion of History in "The Bucaneer." To the Editor of The Star:

SINCE millions of Americans will accept Cecil De Mille's picture, "The Buccaneer" as a substantially accurate account of the Battle of New Orleans when, as a matter of fact, it is not, I ask space to call attention to its distortions:

1. The outstanding character of the picture, Jean Lafitte, the pirate leader, was not a deciding factor in the victory of Jackson at New Orleans. Indeed, Lafitte himself never laid claim to any such role, nor did he ever boast openly, as he does in the picture, or use the phrase, "I leave you, an American, New Orleans."

2. He did not command the center of Jackson's army. Jackson's center corps was commanded by Gen. William Carroll, 3. Lafitte never leveled a pistol at Andrew Jackson and demanded an audience with him. He asked for an interview and was granted one.

4. Jackson's chief use of Lafitte's men. and they must be given credit for their services, was as intelligence units, giving valuable information as to the position of the enemy, and Lafitte's chief contribution to the victory personally was advice relayed to American headquarters by Edsible. These are called malcontents and ward Livingston to extend the American

the unfortunate thing about a malcontent | lines on the left to swamp land, thus preventing a turning of the American left flank by the enemy if, and in the event, Pakenham's frontal attack had been suc-

> In no case—and not an iota of evidence has been unearthed to the contrary-can it be truthfully said that Lafitte's contribution to the Battle of New Orleans was a major factor, much less a deciding factor. in Jackson's brilliant victory. And it is unfortunate that a contrary impression is going out to the American public generally by way of this picture.

There was a dramatic battle at New Orleans 123 years ago that deserves a reasonably accurate portrayal. Only within recent times have we learned many of the facts about it. Indeed, the school books claimed it was unnecessary, on the ground that the Treaty of Ghent had already been signed. Now we know that had Pakenham won, the British would have claimed all of the Louisiana Purchase. The peace treaty had been signed, but it was not-by its own terms-to take effect until after it had been ratified by both parties. And the United States did not ratify it until 40 days after the battle.

HUGH RUSSELL FRASER. President Andrew Jackson Society of Tennessee.

Three Opinions On Equity in Taxation.

To the Editor of The Star:

THERE seems to be a great deal of wrangling over a problem that could

be very easily settled without so much waste of time and energy, and that problem is the District tax. The only solution and practical method

is the sales tax. This method would not burden any class of the people, but would fairly distribute the tax among all the classes. The sales tax has proven succountry and should be just as successful ROBERT S. RAINS.

To the Editor of The Star:

THE only tax worthy of mention in connection with equity is a tax on land values. The value of land is not due to ownership, but to the presence and activities of the people round about. The more of them there are the higher the value mounts. It is therefore a social value and its taking for social uses will rob no man.

The city of Sydney, Australia, comparable in size to Boston, pays practically all of its municipal expenses by a tax on land values alone, at a rate of something over 3 per cent as compared with our 134 per cent on land and improvements. It is a model city, having no slums.

In the District and city of Canberra, capital of Australia, private landholding is limited to leases at rental on the basis of land values as determined from time to time. A great number of cities, towns and other communities in Australia, New Zealand, South Africa, Northwest Canada and in Denmark throughout, land values are wholly or largely the basis of taxation as inducement to adequate improvements and prevention or clearance of slums or shoddy and unsanitary living conditions.

Of all cities in the United States, Wash ington, its Capital should be the model. and it may be made so simply by adoption of an up-to-date system of taxation, which would also reduce the cost of living to all of its inhabitants. WALTER N. CAMPBELL.

To the Editor of The Star: IN REGARD to a general sales tax. Chair-

man Nichols of the House District Subcommittee is absolutely correct. If the people on whom such a tax would fall most heavily—those with low incomes—really understood the effect of a sales tax, and had an opportunity to vote, the result would be a foregone conclusion.

Naturally, business groups are for this tax in lieu of other taxes on their businesses. Neither is it surprising that citizen groups from Chevy Chase and other of the more well-to-do sections of the District are in favor of this tax.

The fairest tax would be an income tax. which probably could be worked out in spite of difficulties, provided there could be found enough social-minded, unselfish leaders to see it through.

PAUL RUSSELL

Notes Background

Of Olympiad Boycott. To the Editor of The Star:

I INDER the situation covered by the writer of your editorial, "Olympic Games Boycott," Sunday, February 13, writhes a snake longer than he saw. The first attempt to boycott the Olympics was when they were held in Los Angeles in 1932. There were no foreign issues to be used as false whiskers, and the placards were lettered "Kill the Capitalist Games." An effort was made to hold a rival set of games in Chicago.

Here lies the key to the boycott movements of 1936 and 1940. The key is hammer-and-sickle in design. It unlocks a Pandora box of Communists wriggling under cover. When the games were held in Berlin, the red opposition concealed itself in a Jewish cloak, and with the games scheduled for Tokio they borrow a Chinese

In these two Olympiads the Communist is lucky to find collateral causes, but his real cause is hatred of Olympic philosophy. Communists find it inimical to their own ideology, which requires reducing everybody

Observer Fears a Crisis May Again Be Near at Hand

With Confidence Regarded Destroyed, Three Courses Are Declared Faced in Competitive or Monopolistic Capitalism or Inflation

toward normal.

By MARK SULLIVAN.

ISS DOROTHY THOMPSON has a special understanding of the conditions which lead to death of democracy: Substitution of authoritarian government. She has had experience watching this somber process in European countries. She has sat at the beside of dying democracies.

Miss Thompson, watching events in America, wrote, on November 24 last: "The next 30 days will be as important as any in the history of this Republic. They will determine whether a business recession snowballs into a serious depression and a social crisis. If the latter happens, the very future of American democracy may

How Miss Thompson feels today I do not know. At the time she wrote I felt that she fixed the period of trial too short. I wrote at the time, December 5: "It is, it seems to me, the next six months rather than the next 30 days that will throw light on what is to happen to America." Today I feel that the time must be very

short. Perhaps within a few weeks the outcome will begin to be apparent. It will become apparent in one of two ways: Either business will become better-or else increase of unemployment will lead to resumption of heavy Government spending. Resumption of activity by private business would point toward one kind of future for America. Resumption of heavy spending would be a sign of a different future. Of course, periods of history do not al-

ways come to clear-cut ends nor have clear-cut beginnings on specific dates. We will not, on one day, be one kind of nation and on the next day be a different kind. Three Courses Outlined.

the alternatives ahead of u courses we can take, or which we may be maneuvered into, fall roughtly into three First, competitive capitalism, the sort of individualist society we have always known.

To go on with this one requisite is indis-

pensable. Business privately owned must

have confidence-or it will not function. Private business does not have confidence now, and therefore cannot function well. It is difficult to see how the confidence could be supplied by Mr. Roosevelt, in the light of the impression of variableness he has made on the business world. Mr. Roosevelt's changeableness is described in the current Ladies' Home Journal by Gen. Hugh Johnson, who was for more than a vear his No. 2 man: "He * * * is unpre-

clever, cunning and quick. He has a touch of genius, but he is erratic and impulsive." That trait of Mr. Roosevelt is now so widely understood that no one is going to expect his personality to undergo permanent change and become settled, stable From the President confidence can hardly

dictable. * * * He delights in surprises-

Confidence could come from Congress Something that Congress might do, or conspicuously refrain from doing, might give confidence to business and to the country generally. Congress might take some step which would show the country that it will not follow Mr. Roosevelt in the excursions of his variableness, that Congress is itself stable. Congress might develop initiative and leadership of its own. set a wholesome course of its own. That

to the lowest level for regimentation. These vermin, burrowing in darkness, dislike anything healthy and wholesome, making for pleasure and happiness, vigor and power in an existing system.

Was there a British effort to get the United States to boycott Japan severa months ago? I seem to recall some sharps observing the British would be ready to pick up the Japanese business we dumped overboard. The Olympic boycott now, with Communist support, may be merely a flank attack of the same commercial interests. The British tradesman is boycotting athletics, not trade

CLARENCE A. BUSH. Chicago, Ill.

Urges Boycott

Of Aggressor Nations. To the Editor of The Star:

POYCOTT the aggressor nations. If some employes are thrown out of work in silk mills, they can be taken care of in other industries if work is adjusted and divided sensibly.

And if some have to go on relief, it will have to be so if the right thing is done. Better a few more of our people on relief than to continue to provide Japan with the means to keep on killing helpless

If it is right to stop and punish any murderer, it is right so stop the murderers of Chinese and Spanish children.

Many Odd Gifts Are Given

Oueen Mary by Admirers LONDON (AP).-Queen Mary is the recipient of many odd gifts from English

articles belonging thereto," bequeathed by Miss Blanche Carey of Reigate.

For the course of monopolistic capitalism Mr. Roosevelt has shown some liking. He shows some intellectual liking for regu-

sometimes puts it.

lated monopoly as an economic and social theory, and he is further apt to turn toward that path for a temperamental reason. Regulated monopoly means more power for the President, and power Mr. Roosevelt likes. Much of big business likes regulated monopoly. They would help Mr. Roosevelt toward it; they did help him toward it when he attempted it in the form of N. R. A.

might get America back on the track

Or the beginning to confidence might

come from the people. Some event, some

development or other, some plain mani-

festation of public opinion, might show

that the country as a whole is stable: that

it has come not to share Mr. Roosevelt's

pleasure in the novel and exciting: that

it will not necessarily follow him in every

experiment or adventure that appeals to

him. Such a sign from the people might

Monopolistic Capitalism.

capitalism. That is, in effect, what Mr.

Donald Richberg proposes. Let business

suppress competition. Let businesses com-

bine. Let them form monopolies or agree

upon monopolistic practices-all under

Government supervision, with Government

sitting in as a partner, as Mr. Roosevelt

The second possibility is monopolistic

get the country back on the rails.

The path toward monopolistic capitalism is quite possible. It would lead fairly directly to something far beyond monopolistic capitalism. It would shortly become state capitalism, and soon after that State socialism. Big business does not foresee that stage, and cannot be relied upon to help avert it. Little business will fight against monopolistic capitalism and can be better relied upon to keep America in its tradi-

tional course. A third possible course is inflation. (I use the term as meaning, roughly and mainly, higher prices, and as being brought about mainly by Government spending.) Inflation, heavy Government spending, is in some respects the most likely of the courses. Inflation is the one course on which both President and Congress might unite. Congress might decline to follow the President in any of many experiments. yet might fall in behind him on a program of large spending. Just because Congress would be likely to follow him is one reason Mr. Roosevelt may take this course. He would like to rebuild the spectacle of Congress doing what he asks, and to achieve that the best thing for him to ask of Con-

gress is heavy spending. Mr. Roosevelt would not, upon deliberation, take the path that leads to inflation. Critics may say what they will about Mr. Roosevelt's economic understanding or the lack of it, and about his sense of grave responsibility or the lack of it: and some of what the critics say is justified. But Mr. Roosevelt does grasp the horror of violent inflation; he has, in many ways. shown the wish to avert it. But inflation

In considering the possibility of inflation and in reflecting upon all the possible courses that might be ahead it is not easy to be dogmatic. The signs are confusing. extremely so. Some point one way, some another. The signs as a whole do not make any pattern.

is, politically, the easiest way.

We have just seen one of the largest industries-steel-begin to cut prices. That points toward competitive capitalism-indeed, it is a step toward greater competitive capitalism than we have had even during normal times preceding the depression. Further, the cutting of steel prices points toward a regime of lower prices generally. And lower prices (omitting some fields in which lower prices are not called for) is the path toward wholesome conditions, economically, socially, politically.

At the same time we have just seen Congress enact a measure, the crop control bill, of which a leading purpose is to keep prices of farm products higher than they would otherwise be, to make the cost of living relatively high. True, the farmer for many years has not had an equitable share of the national income. True, it may be too much to ask of the farmer that he should wait until the roll of the economic wheel, the operation of natural forces, would give him his turn at the top of the economic heap. But admitting that, high cost of living, a restricted food supply, is a step away from competitive capitalism, a step in the direction of monopolistic

Wages and Labor Problem. About wages of labor, the conditions are uneven. Keeping the cost of living high must have the effect of causing and justifying high wages for labor. Wages in many lines are not high now, some are inequitably low. But some other wage rates are impossibly high. Excessively high wage rates are the chief reason for failure to build more houses-and resumption of building construction on a large scale is the principal one need for resumption of business prosperity on a universal scale. About the most encouraging thing that could happen, the most wholesome for the country and for the individuals directly concerned, would be that labor in the building trades should see the light, which is at once reason and self-interest-see that it is better to be at work at a lower rate than to be idle at a high wage rate.

women admirers. The latest is a "collection of dolls and all

She also left to the Queen a collection of

miniatures and cabinets in which they are contained.